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APPROPRIATIONS

HOUSE FILE 134
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and DE BOEF

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act requiring the budget submissions of state agencies to
2 utilize a zero-base approach.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

HF 134

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1 Section 1. Section 8.23, subsection 1, paragraph b, Code
2 2003, is amended to read as follows:

3 b. The estimates of expenditure requirements shall be
4 ~~based-upon-seventy-five-percent-of-the-funding-provided-for~~
5 ~~the-current-fiscal-year-accounted-for-by-program-reduced-by~~
6 ~~the-historical-employee-vacancy-factor-in-form-specified-by~~
7 ~~the-director-and-the-remainder-of-the-estimate-of-expenditure~~
8 ~~requirements-prioritized-by-program~~ utilize a zero-base
9 approach of providing sufficient supporting data and
10 explanations to justify each expenditure as though it were a
11 new expenditure. The estimates shall include a prioritization
12 of each expenditure in relation to the other expenditures
13 transmitted. The estimates shall be accompanied with by
14 performance measures for evaluating the effectiveness of the
15 program.

16 Sec. 2. Section 602.1301, subsection 2, paragraph a,
17 unnumbered paragraph 1, Code 2003, is amended to read as
18 follows:

19 As early as possible, but not later than December 1, the
20 supreme court shall submit to the legislative fiscal bureau
21 the annual budget request and detailed supporting information
22 for the judicial branch. The submission shall be designed to
23 assist the legislative fiscal bureau in its preparation for
24 legislative consideration of the budget request. The
25 information submitted shall contain and be arranged in a
26 format substantially similar to the format specified by the
27 director of management and used by all departments and
28 establishments in transmitting to the director estimates of
29 their expenditure requirements pursuant to section 8.23,
30 ~~except-the-estimates-of-expenditure-requirements-shall-be~~
31 ~~based-upon-one-hundred-percent-of-funding-for-the-current~~
32 ~~fiscal-year-accounted-for-by-program, and using the same line~~
33 ~~item-definitions-of-expenditures-as-used-for-the-current~~
34 ~~fiscal-year's-budget-request, and the remainder of the~~
35 ~~estimate-of-expenditure-requirements-prioritized-by-program~~ by

1 utilizing a zero-base approach of providing sufficient
2 supporting data and explanations to justify each expenditure
3 as though it were a new expenditure. The estimates shall
4 include a prioritization of each expenditure in relation to
5 the other expenditures submitted. The supreme court shall
6 also make use of the department of management's automated
7 budget system when submitting information to the director of
8 management to assist the director in the transmittal of
9 information as required under section 8.35A. The supreme
10 court shall budget and track expenditures by the following
11 separate organization codes:

12 EXPLANATION

13 This bill requires the budget submissions of executive
14 branch departments and the judicial branch to utilize a zero-
15 base approach.

16 Under current law in Code section 8.23, the executive
17 branch departments' estimates of expenditure requirements are
18 based upon 75 percent of the funding provided for the current
19 fiscal year as adjusted by the historical employee vacancy
20 factor. The remaining expenditure requirements are
21 prioritized by program. Under the bill's zero-base approach,
22 the expenditure requirements must provide sufficient
23 supporting data and explanations to justify each expenditure
24 as though it were a new expenditure. The estimates shall
25 include a prioritization of each expenditure in relation to
26 the other expenditures transmitted.

27 Under current law in Code section 602.1301, unlike the
28 requirement of the executive branch, the supreme court must
29 submit an annual operating budget for the judicial branch that
30 is based upon 100 percent of the funding provided for the
31 previous fiscal year. As with the executive branch
32 departments, the bill replaces the 100 percent requirement
33 with a zero-base approach requiring data and explanations for
34 each expenditure and a prioritization of the expenditures.

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